

## CONGRESS EXAMINES PROCESS USED TO ACCREDIT HOSPITALS

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Members seek to improve hospital quality, question corporate relationships

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### WASHINGTON, D.C.

- Members of Congress this week asked the Commission responsible for assessing the safety of America's hospitals and, in turn, determining the eligibility of hospitals to participate in the Medicare program, to answer questions about the relationship between the Commission and a subsidiary corporation and to account for the results of its new accreditation process.

In a letter sent this week to the JCAHO President, Rep. Pete Stark and Sens. Chuck Grassley and Max Baucus continued their work to improve the performance and accountability of the accreditation process so that quality-related problems in hospitals are more readily identified and addressed, rather than missed entirely or allowed to persist.

A Government Accountability Office (GAO) investigation requested by Stark, Grassley and Baucus and completed in July 2004 found serious deficiencies in JCAHO's accreditation process. The GAO is in the process of conducting a second investigation relating to possible conflicts of interest and other concerns at JCAHO and its subsidiary. Today's letter calls into question JCAHO's ability to independently accredit hospitals while its consulting subsidiary, Joint Commission Resources (JCR), profits from the sale of products and services that aide hospitals in meeting accreditation standards.

Legislation sponsored in 2004 by Stark, Grassley and Baucus and (H.R. 4877, S. 2698) would have brought JCAHO's accreditation process under the authority of the Centers for Medicare and Medicaid Services in the same way that CMS oversees the accreditation of health care facilities other than hospitals. Congress did not act on their legislation. Stark, Grassley, and Baucus said today that they will introduce revised legislation based on a number of factors including any new findings of the GAO.

"JCAHO claims to be a 'not-for-profit organization' that maintains 'state-of-the-art standards.' Nothing could be further from the truth," said Stark, Ranking Democrat on the Ways and Means Health Subcommittee. "For years, JCAHO's close ties to industry have jeopardized the health of millions of Americans. More recently, JCAHO's ownership of JCR, a for-profit consulting arm, has created new conflicts of interest that warrant additional investigation. If JCAHO has nothing to hide, it will provide us with an accurate, complete, and timely response. Anything less than full cooperation will be noted when Congress takes future action."

Stark first raised hospital accreditation problems at a hearing in 1990, and again in 2000 and 2002. He introduced legislation in 1999 to increase public representation on the governing boards of national accrediting entities and to require those entities to have open meetings.

"It's very important to determine whether or not the new accreditation process is delivering results and overcoming the shortcomings of the old system," said Grassley, Chairman of the Senate Committee on Finance. "Approval from the Joint Commission should be the gold standard, not a rubber stamp."

"Americans rely on accrediting organizations to make sure our hospitals are well-run, that problems are identified and corrected and that quality and safety are constantly improved. Because the Joint Commission has unique status to approve hospitals under Medicare, we must hold the Commission to the highest standards. Hopefully, the Commission's new accreditation process is improving the effectiveness of their work, which showed serious deficiencies just a couple of years ago. But if the business practices of the Joint Commission continue to compromise the safety and performance of America's hospitals, it's vital to know that now and take corrective steps," said Baucus, Ranking Member of the Senate Committee on Finance.

[View the letter sent by Stark, Grassley and Baucus](#)